

Report of Management

Attachment A – Exceptions to Compliance

Below is a listing of exceptions to compliance with the Business Rules for the period of March, April, and May 2002:

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
I. Exceptions That Were Corrected and March, April, and May 2002 Data Was Restated¹			
1	Preordering 2, MI 10 and MI 16	For EDI LSOG 1 transactions, the Company improperly excluded certain address verification transactions that were not matched to living units or street addresses.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to include certain address verification transactions that were not matched to living units or street addresses and restated March through August 2002 results on October 7, 2002.
2	Preordering 2, MI 10, and MI 16	After the implementation of the LSOG 5 version of EDI (“LSOG 5”) in April 2002, the Company improperly reported LSOG 5 transactions in which a request for a customer service record and directory listing was made as one combined request in the Verigate CSR submeasure. However, this combined level of disaggregation was not listed in the Business Rules.	Effective with September 2002 results reported in October 2002, consistent with the Business Rules the Company changed the computer program code to exclude the transactions where a combined request of customer service record and directory listing occurred and restated April through August 2002 results on October 7, 2002.

¹ The following PMs were originally reported in error during March, April, and/or May 2002. These results have been corrected for the error noted and the Company has restated March, April, or May 2002 data. E&Y has tested the accuracy of the corrective action implemented by the Company through a combination of site visits, computer program code review, transaction testing and analytical review as described in the Supplemental Report dated January 17, 2003. Restatements made through the date of this report have resulted in a performance measurement submeasure changing from a make to a miss for less than 1.5 percent of the approximate 1,800 wholesale and 1,300 retail submeasures filed on a monthly basis.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
3	Preordering 2, MI 10, and MI 16	After the implementation of LSOG 5, the Company improperly double-counted certain preorder queries in the reported results for the LSOG 4 customer service requests and telephone number submeasures only.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to properly count certain preorder queries for LSOG 4 customer service requests and telephone number submeasures and restated April through June 2002 results on October 7, 2002.
4	Preordering 2, MI 10, MI 16	During March, April, and May 2002, rejected and timed out pre-order transactions were improperly excluded from the numerators of MI 10 and MI 16.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include rejected and timed out preorder transactions in the numerators of MI 10 and MI 16. The Company restated results for March 2002 through September 2002 on December 5, 2002 for MI 10, MI 16 and PM 2.
5	Preordering MI 10, MI 16	March, April, and May 2002 results were not reported by interface as required by the Business Rules.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to report by interface for PM MI 10 and restated March through June 2002 results on October 7, 2002. MI 16 Business Rules do not require reporting by interface.
6	Preordering MI 10, MI 16	Results for March, April, and May 2002 excluded transactions that exceeded 600 seconds. This exclusion is not in the Business Rules.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to include transactions that exceeded 600 seconds and restated March through August 2002 results on October 7, 2002.
7	Preordering MI 10, MI 16	March 2002 transactions excluded transactions from the EDI LSOG 4/CORBA and Verigate systems.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to include transactions from the EDI LSOG 4/CORBA and Verigate systems and restated March 2002 results on October 7, 2002.
8	Preordering 2, MI 10, MI 16	Certain valid EDI LSOG 1 transactions were improperly excluded from the reported results. This was due to an error in the program logic designed to identify duplicate transactions.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include the excluded EDI LSOG 1 transactions in the reported results for PMs MI 10 and MI 16. This issue was restated for March 2002 through September 2002 on December 5, 2002 in connection with other issues in this report.
9	Preordering IN 1	During March, April, and May 2002, the Company was using a due date instead of the actual completion date to calculate the percentage of loop acceptance testing completed on or prior to the completion date.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to use the actual completion date to calculate the percentage of loop acceptance testing completed prior to the completion date. March through June 2002 results were restated on August 5, 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
10	Ordering 5, 6	The percent of firm order confirmations (“FOCs”) returned was incorrectly calculated for the simple residence and business electronically processed submeasures during April and May 2002 as a result of utilizing the manual rather than the electronic benchmark for one interface to calculate the percentage of FOCs processed that were returned on time. This was due to the implementation of new systems and processes in the Ameritech region.	Effective with June 2002 results reported in July 2002, new computer program code was implemented to utilize the electronic benchmark to calculate the percentage of FOCs processed that were returned on time rather than the manual benchmark. Results for April and May 2002 were restated on September 5, 2002.
11	Ordering 5, 6	The last two days of April 2002 data were incorrectly excluded from results.	Data for the last two days of April 2002 was subsequently included in results and April 2002 results were restated on September 5, 2002.
12	Ordering 5, 6	An incorrect clock interval was being used to calculate FOC hours when the start time and end time span two business days.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program coded to address this issue. April 2002 through September 2002 results were restated on December 5, 2002. A restatement for March 2002 is not required as LSOG 5 was not implemented until April 2002.
13	Ordering 6	For PM 6 only, results for electronically submitted simple residence and business local number portability (“LNP”) only requests were reported on a combined basis instead of disaggregated between electronic and manual processing as required by the Business Rules.	Effective with June 2002 results reported in July 2002, the Company reported separate levels of disaggregation for electronically submitted simple residence and business LNP only requests that were processed electronically and those that were processed manually. The months of March 2002 through May 2002 were restated on August 5, 2002.
14	Ordering 5	For PM 5 only, due to the implementation of new systems and processes, a query to retrieve data from one of the source systems did not work as intended, resulting in errors in the reporting of data from the submeasures that calculate the “tails” results.	Effective with September 2002 results reported in October 2002, Local Service Ordering Guideline (“LSOG”) 5 data was combined with LSOG 4 data and calculated for the “tails” results. On October 7, 2002, April 2002 through August 2002 results were restated to incorporate the LSOG 5 data. Tails information is only reported when the overall PM standard has been attained, and is therefore not assessed on the Company Hit or Miss Report (“HOMR”).

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
15	Ordering 5, 6	A small number of access service requests for unbundled local transport (“ULT”) submitted via the Web were improperly excluded from results due to a flag indicator problem with the ULT orders.	Effective with August 2002 results reported in September 2002, new computer program code was implemented to correct the flag indicator problem. Results for March through July 2002 were restated on October 7, 2002.
16	Ordering 7.1	Results for March 2002 for the LNP level of disaggregation were appropriately calculated but were not displayed on the external Web site.	Effective with April 2002 results reported in May 2002, the Company changed the report matrix used to report the disaggregations to the CLEC Web site and posted March 2002 results in June 2002.
17	Ordering 10	LSOG 5 auto/manual rejects were not reported during April and May 2002 due to the implementation of new systems and processes.	Effective with August 2002 results reported in September 2002, the Company changed the computer program code to include LSOG 5 auto/manual rejects. April through July 2002 results were restated on September 5, 2002.
18	Ordering 13, 13.1	Certain March 2002 transactions were incorrectly included in February 2002 results.	The inclusion of the March 2002 transactions in the February 2002 results resulted from a temporary unavailability of the systems used to collect data from the source systems. The Company corrected this situation in March 2002 and results were restated in June 2002.
19	Ordering 13, 13.1	Certain other transactions were erroneously excluded from the March 2002 results due to a data processing problem.	Effective with April 2002 results reported in May 2002, the Company revised its process for identifying certain transactions and now extracts this monthly data from MORTel. March 2002 results were restated in June 2002.
20	Ordering 13, 13.1	April and May 2002 affiliate results did not include certain records as a result of implementing new systems and processes (“LASR”).	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include the affiliate results for certain records and May and June 2002 results were restated in August 2002.
21	Ordering 13.1	March, April, and May 2002 results did not include orders considered to be “projects” in the denominator of PM 13.1.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include orders considered to be “projects” in the denominator of PM 13.1. Restatements for March 2002 through June 2002 results were completed in September 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
22	Ordering 13	The Company's external Web site did not have results posted for the LNP level of disaggregation, although they were calculated for March, April, and May 2002.	The Company corrected the report matrix on August 5, 2002 used to report the disaggregations to the CLEC Web site and posted March through June 2002 results by disaggregation.
23	Ordering 13, 13.1	Due to a program error, the MOR system was excluding certain failed flow through transactions from the calculation because the program logic was incorrect.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code to include the previously excluded failed flow through transactions. March 2002 through June 2002 results were restated in September 2002.
24	Ordering 13, 13.1	Seven (7) "drop to manual" error messages were incorrectly reported as failed flow through transactions for PM 13 after one of the initial restatements.	Effective with July 2002 results reported in August 2002, the Company changed the computer program code used for the PM 13 and PM 13.1 calculations to correctly report "drop to manual" error messages and restated March 2002 through June 2002 results in September 2002.
25	Ordering 13, 13.1	Certain line sharing orders were improperly excluded from reported results.	Effective with June 2002 results reported in July 2002, the Company implemented new computer program code to add a separate line sharing submeasure. These PMs were restated in connection with other issues in this report for May 2002 results on September 5, 2002.
26	Ordering CLEC WI 1	During March, April, and May 2002, the average delay time was incorrectly calculated due to utilizing the wrong start time (i.e., the original FOC due date) on certain orders that were modified and by utilizing the expected due date from the FMOD form instead of the actual completion date of the order.	Effective with the October 2002 results reported in November 2002, new computer program code was implemented to use the correct start time and the actual completion date to calculate average delay time on these certain orders. March through September 2002 results were restated on December 5, 2002 in connection with BearingPoint's ongoing PMR review.
27	Ordering MI 2	The program code utilized to calculate the denominator for this measure was changed in March 2002, causing results for the PM to be misstated.	Effective with July results reported in August 2002, the Company implemented a new computer program code change to query for orders with certain jeopardy notices, rather than all orders, to be included in the denominator of PM MI 2. March through June 2002 results were restated on September 5, 2002.
28	Ordering MI 13	March 2002 results did not correctly count the interval for resent line loss notifications from the time of the original send to the completion of the resend.	During June 2002, this PM was reprocessed after a data change allowed capture of the interval from the time of the original send of the service order completion to the completion of the resent line loss notification. March 2002 results were restated on August 5, 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
29	Provisioning 27-33, 35, 43, 50, 55, 63, 92, WI 1, WI 9, CLEC WI 11	April and May 2002 results did not include the correct data from the Local Access Service Request system ("LASR"), which was excluded in error as a result of implementing LASR.	Effective with July 2002 results reported in August 2002, new computer program code was implemented to include LASR data. Plain old telephone service ("POTS") PMs results for April, May, and June 2002 were restated in August 2002. Specials and UNE PMs results for May and June 2002 were restated in September 2002. Specials and UNE PM results for April 2002 were restated on October 7, 2002.
30	Provisioning 27-33, 35, 43- 50 Maintenance 37-42, 52-54.1 and CLEC WI 5	March, April, and May 2002 results did not report certain UNE-P and UNE Loop and Port transactions that were not identified due to a data entry error. These were a subset of all the UNE-P and UNE Loop and Port transactions reported.	Effective with August results reported in September 2002, new computer program code was implemented to include these UNE-P and UNE Loop transactions. March through July 2002 results were restated on October 7, 2002.
31	Provisioning 29, 45, 58	Cancels were not being properly included in the results during March, April, and May 2002. The Company was not including only Ameritech-caused cancels after the due date.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include cancels in the results of PMs 29, 45, and 58 and these results for March through August 2002 were restated for field visit order activity on October 7, 2002.
32	Provisioning 43-50, 55-56.1, 58-63, WI 1, WI 9, CLEC WI 11 Maintenance 52-54.1, 65-69	Certain UNE and special products were classified as "unknown products" (i.e., products that have not been mapped to be reported in the PMs) and not reported in the PM results.	Effective with August 2002 results reported in September 2002, the computer product table was updated to include, when appropriate, the previously identified unknown products and a process was implemented to ensure that new products were included in the product table. March through July 2002 results were restated in September 2002 and on October 7, 2002.
33	Provisioning 43-50 Maintenance 52-54.1	A coding error incorrectly excluded UNE Loop & Port-ISDN PRI records from May 2002 results.	Effective with July 2002 results reported in August 2002, the Company corrected the computer coding error that excluded UNE Loop & Port-ISDN PRI records and restated May and June 2002 results on October 7, 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
34	Provisioning 55-56.1, 58-63, WI 1, WI 9, and CLEC WI 11 Maintenance 65-69, WI 2	Certain DSL retail and wholesale transactions were improperly classified as 8db loop transactions.	Effective with July 2002 results reported in August 2002, the computer program code was updated to classify certain DSL affiliate and wholesale transactions as DSL, instead of 8db loop transactions. May and June 2002 results were restated in September 2002, and March and April 2002 results were restated on October 7, 2002.
35	Provisioning 55.2	March 2002 results were incorrect due to some valid transactions not being properly identified and categorized as coordinated hot cuts ("CHCs") or frame due time ("FDT") transactions.	Effective with April 2002 results reported in May 2002, the Company began properly identifying and categorizing these transactions. March 2002 results were restated on October 7, 2002.
36	Provisioning 58, 59	The Company was counting all N, T, and C order activity in the denominator of PMs 58 and 59. Per the Business Rules, the Company should only be counting the orders with inward line activity.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to include only orders installing circuits or lines in the results and restated March 2002 retail results in May 2002.
37	Provisioning 73	The Company was excluding orders with certain due date misses related to projects.	Effective with May 2002 results reported in June 2002, the Company changed the computer program code to include all projects and restated March and April 2002 results in August 2002.
38	Provisioning 73	March and April 2002 results did not properly capture all projects in this PM. Additionally, the Company has identified additional project identifiers for PM 73 that will be tracked and reported but have not yet been implemented.	Effective with September 2002 results reported in October 2002 for PM 73, the Company enhanced its method of capturing transactions related to projects and implemented additional project identifiers that resulted in the proper inclusion of projects. PM 73 was restated on December 5, 2002 for the period March 2002 through August 2002.
39	Provisioning 97	The logic within the computer program code for the reporting system contained a coding error.	Effective with April 2002 results reported in May 2002, the Company corrected the logic in the reporting system and restated March 2002 results in July 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
40	Provisioning 99	Results for March, April, and May 2002 did not appropriately exclude CLEC-caused misses from the calculation of average delay days.	Effective with June 2002 results reported in July 2002, the Company changed the computer program code to exclude CLEC-caused misses in the calculation of average delay days. March, April, and May 2002 results were restated in September and October 2002.
41	Provisioning 99	During March, April, and May 2002, the Company excluded projects from this PM, although there is no exclusion allowed in the Business Rules.	Effective with July 2002 results reported in August 2002, the Company implemented new computer program code to include projects in results. The Company restated June 2002 results on August 5, 2002, May 2002 results on September 5, 2002, and March and April 2002 results on October 7, 2002.
42	Maintenance 35, 37-42, 46, 52-54.1, 59, 65-69 and WI 2	A number of retail trouble reports were improperly classified as wholesale trouble reports and recorded as wholesale troubles.	July through September 2002 results were restated on December 5, 2002 to report records on certain lines improperly classified as wholesale trouble reports as retail records. No restatements of March, April, and May 2002 are currently planned as correction of the issue would result in a lower wholesale trouble report rate than is currently reported.
43	Maintenance 37, 37.1, 54, 54.1, 65 and 65.1	Retail ISDN-Centrex line counts are excluded from the denominator of PMs 37, 37.1, 54, 54.1, 65 and 65.1.	Effective with September 2002 data reported in October 2002, the Company implemented new computer program code to include retail ISDN-Centrex line counts in the denominator of PMs 37, 37.1, 54, 54.1, 65, and 65.1. March 2002 through August 2002 results were restated on December 5, 2002.
44	Maintenance 39, 52, 67	The Company excludes trouble tickets in excess of 720 hours from results, although this exclusion is not allowed by the Business Rules.	Effective with October 2002 data reported in November 20, 2002, the Company implemented new computer program code to include trouble tickets in excess of 720 hours in the results. March 2002 through September 2002 results were restated on December 5, 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
45	Maintenance 66, 67, 68	The March and April 2002 retail comparisons for 8db loops and DSL line-sharing did not exclude tickets processed through the Loop Maintenance Operations System ("LMOS") coded as no access or delayed maintenance from the reported results as required by the Business Rules. For the delayed maintenance exclusion, Work Force Administration ("WFA") excludes only the actual time of delay while LMOS now excludes the entire ticket.	Effective with May 2002 results reported in June 2002, new computer program code was implemented to exclude tickets processed through LMOS coded as no access or delayed maintenance. March and April 2002 results were restated in July 2002.
46	Maintenance MI 14	An incorrect formula was used to handle negative time intervals that occur when the Clear Request Receive date is before the Clear Time. Additionally, for electronic requests, an incorrect formula was utilized to calculate the time interval.	<p>Effective with September 2002 results reported in October 2002, new computer program code was implemented to correctly calculate the negative time interval. March 2002 through August 2002 results have been processed and were restated on December 20, 2002.</p> <p>Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to correct the time interval. June through October 2002 results were restated in January 2003.</p> <p>While the PM calculations appear to have been corrected based on a review of these processed results, certain data anomalies exist that represent less than 5% of the total records. This unrelated data issue, including the need for additional restatements, is to be determined.</p>
47	Grade of Service 22	March 2002 results improperly included/excluded all required service centers in the retail results.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to properly include additional consumer centers in the calculation of the retail results. March 2002 results were restated in June 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
48	Interconnection Trunks 74, 75, 78	During March and April 2002, the Company excluded End Office Integration (EOI) transactions and certain transactions with a missed appointment code associated with a project from reported results. In May 2002, the Company excluded all projects from the reported results. The Business Rules do not allow for projects to be excluded from results.	Effective with September 2002 data reported in October 2002, the Company implemented new computer program code to include projects in results. On December 5, 2002, the Company restated March through August 2002 results.
49	Interconnection Trunks 78	March 2002 CLEC results were determined using the count of the number of items instead of the number of orders.	Effective with April 2002 results reported in May 2002, the Company changed the computer program code to use the number of installed trunk orders rather than number of circuits (items) in determining the denominator for PM 78. March 2002 results were restated in May 2002.
50	Collocation MI 4	The Company was utilizing an incorrect data field to calculate the numerator for this result. The date the quote was accepted was utilized instead of the construction start date, resulting in inaccurate results.	Effective with August results reported in September 2002, the Company changed the computer program code to utilize the construction start date to calculate the numerator of PM MI 4. March through July 2002 results were restated on October 7, 2002.
51	OSS Interface MI 11	This PM was incorrectly calculated during March, April, and May 2002 as the Company counted all notifications instead of just the initial notifications in the results.	Effective with August 2002 results reported in September 2002, the Company changed its processes to capture and count only initial notifications in the results of PM MI 11. March through July 2002 results were restated on October 7, 2002.
52	Change Management MI 15	The Company did not appropriately capture the denominator for this PM during March, April, and May 2002. The exclusion for "approved exceptions" was not taken by the Company. The Company was including accessible letters in the calculation of the results.	Effective with September 2002 results reported in October 2002, the Company implemented a process change to exclude exception letters. July 2002 results were restated on October 7, 2002; April and May results were restated on November 5, 2002.
53	FMOD CLEC WI 9	The Company improperly utilized business days instead of calendar days to calculate the PM during March, April, and May 2002.	Effective with October 2002 results reported in November 2002, the Company corrected the calculation to utilize calendar days instead of business days. March through September 2002 results were restated on December 5, 2002.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
II. Exceptions Corrected But March, April, and May 2002 Results Were Not Restated²			
1	Ordering 5 & 6	Certain data from one of the Company's source systems ("EXACT") was improperly overlaying certain FOC data within a PM reporting system, resulting in some orders being reported with inaccurate FOC durations. This error impacted the trunk FOC only.	Effective with June 2002 data reported in July 2002, the Company changed the computer program code to correctly report the trunk FOC results. No restatement is planned for March, April, or May 2002 results for this issue as results would only improve from shortening the FOC interval.
2	Ordering 5, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4, 11, 11.1, 11.2, 91, 93, 95, MI 2, MI 9	The Company excluded LNP with loop orders in which the loop portion of the order was rejected and then later corrected.	<p>For PMs 5, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4, 11, 11.1, 11.2, 95, and MI 2, effective with October 2002 results reported on November 20, 2002, the Company implemented new computer program code to include LNP with loop orders in which the loop portion of the order was rejected and then later corrected.</p> <p>For PMs 91, 93, and MI 9, effective with November 2002 results reported on December 20, 2002, the Company implemented new computer program code designed to include LNP with loop orders in which the loop portion of the order was rejected and then later corrected.</p> <p>This issue was restated in connection with other issues in this report:</p> <p>PMs 5 and 6 - August 2002 and September 2002 results were restated on December 5, 2002. No restatements are planned for March through July 2002 results.</p>

² The following PMs were originally reported in error during March, April, and/or May 2002. These results have been corrected for the error noted and the Company has not restated March, April, or May 2002 data. In some cases later months have been restated. E&Y has tested the accuracy of the corrective action implemented by the Company through a combination of site visits, computer program code review, transaction testing and analytical review as described in the Supplemental Report dated January 17, 2003.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
			<p>PMs 7, 7.1, and 8 - August 2002 and September 2002 results were restated on January 6, 2003. No restatements are planned for March through July 2002 results.</p> <p>PM 10.4 and MI 2 - June 2002 through September 2002 results were restated on January 6, 2003. No restatements are planned for March through May 2002 results.</p> <p>PMs 91, 93 and MI 9 - June 2002 through September 2002 results were restated on January 6, 2003. No restatements are planned for March through May 2002 results.</p> <p>PMs 10, 10.1, 10.2, 10.3, 11, 11.1, 11.2 and 95 - No restatements are planned for March 2002 through August 2002 results.</p>
3	Ordering 5.2	Certain transactions were improperly excluded from reported results during March, April, and May 2002. These transactions related to new products.	Effective with August 2002 data reported in September 2002, the Company changed the computer program code and included transactions related to new products. This is a diagnostic PM with no benchmark and the Company does not plan to restate results for March through July 2002.
4	Ordering 5.2	Certain transactions were improperly excluded from reported results during March, April, and May 2002. These transactions related to an LSOG 5 jeopardy code that functioned like an unsolicited firm order confirmation.	Effective with September 2002 results reported in October 2002, a new computer program code change was implemented to include transactions related to an LSOG 5 jeopardy code that functioned like an unsolicited firm order confirmation in results for this PM. This is a diagnostic PM with no benchmark and the Company does not plan to restate results for March through August 2002.
5	Ordering 5, 6	April and May 2002 results misclassified certain loop orders processed through the LASR system as auto/auto instead of auto/manual.	Effective with September 2002 results reported in October 2002, the Company updated the data extract mapping process to direct the auto/manual indicator on the affected loop orders from the source system to the reporting systems so that the orders could be correctly classified. Restatements for April and May 2002 results are not planned. This issue is not applicable to March 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
6	Ordering 7, 8	Certain orders contained an incorrect matching logic and therefore were improperly excluded from the results during March and April 2002.	Effective with May 2002 results reported in June 2002, the Company corrected the matching logic to address this issue. No restatement is planned for March or April 2002 results for this issue.
7	Ordering 7, 8	Certain orders contained the wrong start time (i.e., if multiple service orders existed on a single LSR, the Company was utilizing the time the first order completed instead of the time the last order completed to determine the start time for the calculation).	Effective with October 2002 results reported in November 2002, the Company changed the computer program code and began using the time of the last order completed. These PMs were restated in connection with other issues in this report for August 2002 and September 2002 results on January 6, 2003. Restatements for June and July are scheduled to be restated in February 2003. No restatement of March through May 2002 results are planned. The correction of this issue would only improve the Company's performance results since the start time after the correction is a later point in time than the previous start time used.
8	Ordering 7, 8	Certain orders that did not contain service order completion dates or contained start dates with a null value were reported as meeting the one-hour completion timeline when no data was available to make that determination.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to use a different start time that is based on when a service representative worked the completion for transactions that did not contain a service order completion date or contained a start date with a null value. Any completions that cannot use this revised start time are counted as missed. These PMs were restated for August 2002 and September 2002 results on January 6, 2003. Restatements for June and July are scheduled to be restated in February 2003. No restatements are planned for March through May 2002.
9	Ordering 7, 8	The Company excluded the LNP portion of certain service order transactions from the results in error, and standalone LNP orders were being improperly reported under the resale disaggregation instead of the UNE disaggregation.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include the LNP portion of the order so as to obtain the correct completion date. Effective with November 2002 results reported in December 2002, the Company implemented new computer program code to report standalone LNP orders in the correct disaggregation. These PMs were restated for August 2002 and September 2002 results on January 6, 2003. Restatements for June and July are scheduled to be restated in February 2003. No restatements are planned for March through May 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
10	Ordering 7, 10.4, 91, 93, MI 2	Some xDSL loops with LNP were not captured in the reported results.	<p>Effective with September 2002 results reported in October 2002, new computer program code was implemented for PM 7 to include premerger xDSL loops with LNP that were previously not captured in the PM results. PM 7 results for August 2002 were restated in connection with other issues in this report on January 6, 2003. Restatements for June and July are scheduled to be restated in February 2003. No restatements are planned for March through May 2002 results.</p> <p>Effective with October 2002 results reported in November 2002, new computer program code was implemented for PM 10.4 and MI 2 to include premerger xDSL loops with LNP that were previously not captured in the PM results. PM 10.4 results for July 2002 through September 2002 were restated in connection with other issues in this report on January 6, 2003. Restatement of June 2002 results is scheduled for February 2003. No restatement is planned for March through May results.</p> <p>Effective with November 2002 results reported in December 2002, changes to PM 91 and PM 93 were implemented. These PMs were restated in connection with other issues in this report for June 2002 through October 2002 results on January 6, 2003. No restatements are planned for March through May results.</p>
11	Ordering 10.4, MI 2	During March, April, and May 2002, the Company incorrectly reported certain UNE loop orders as UNE loops with LNP when they were not LNP orders.	Effective with August 2002 results reported in September 2002, the Company changed the computer program code to properly identify certain UNE loop orders. These PMs were restated in connection with other issues in this report for July 2002 results on January 6, 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002 results.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
12	Ordering 10.4, MI 2	During March, April, and May 2002, the Company did not properly report the percentage of orders given jeopardies when there were multiple due date changes by the CLEC.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to report jeopardies on order due dates instead of completion dates and to only count the order once even for the occurrence of multiple due date changes. These PMs were restated in connection with other issues in this report for July 2002 results on January 6, 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002 results.
13	Ordering 10.4, MI 2	The Company did not apply an exclusion for CLEC-initiated end user codes as stated in the Business Rules.	Effective with November 2002 results posted on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to exclude CLEC-initiated end user codes. July 2002 through October 2002 results were restated in January 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002.
14	Ordering 10.4, MI 2	The Company excluded certain wholesale jeopardy transactions processed through LASR from results due to an error in extracting detailed information from a source system.	Effective with November 2002 results posted on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to include these jeopardy transactions. July 2002 through October 2002 results were restated in January 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002.
15	Ordering 10.4, MI 2	The Company excluded wholesale LASR transactions in which the scheduled date was erroneously stated as null.	Effective with November 2002 results posted on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company implemented new computer program code to include these LASR transactions. July 2002 through October 2002 results were restated in January 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
16	Ordering 10.4, MI 2	The calculation of the percentage of orders given jeopardy notices within 24 hours of the due date was performed utilizing days instead of minutes, resulting in anything less than 48 hours being considered a pass.	Effective with September 2002 results reported in October 2002, the Company implemented computer program code to convert the duration between the order time and jeopardy notice from days to minutes to determine if the notice was within 24 hours as required by the Business Rules. July 2002 through August 2002 results were restated in January 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002.
17	Ordering 10.4, MI 2	The start and stop times were not correct due to not considering the Value Added Network ("VAN") time.	Effective with November 2002 results posted on December 20, 2002 and as restated on January 6, 2003 (z-score only), the Company reprocessed the Value Added Network ("VAN") data to determine the start and stop times captured for PM MI 2. July 2002 through October 2002 results were restated in January 2003. Restatement of June 2002 results is scheduled for February 2003. No restatements are planned for March through May 2002.
18	Ordering 13, 13.1	Certain line-sharing orders were improperly excluded from reported results.	Effective with October 2002 results reported in November 2002, new computer program code was implemented that included supplemental line-sharing orders that flowed through. September 2002 results were restated on December 5, 2002. Restatements for April 2002, when this functionality was implemented, through August 2002 are not possible because additional computer program code to capture data was needed for these PMs. These code enhancements were implemented on August 28, 2002.
19	Ordering 91	CLEC-initiated revisions and orders involving projects were improperly excluded from results.	The Company implemented new computer code to include CLEC-initiated revisions with September results reported in October 2002. June, July, and August 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.
20	Ordering 91	March through May 2002 results contained a coding error that excluded orders where the completion date was before the due date.	Effective with the July 2002 results reported in August 2002, the Company changed the computer program code and began including orders where the completion date was before the due date. June 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
21	Ordering 91	Data related to the LASR system was not included in results for April and May 2002.	Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include LASR data in PM 91. June through August 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.
22	Ordering 91	The Company improperly included LNP transactions that were not scheduled within industry guidelines in results.	Effective with May 2002 data reported in June 2002, the Company implemented new computer program code to exclude LNP transactions that were not scheduled within industry guidelines. No restatement is planned for March or April 2002 results for this issue.
23	Ordering 91	The Company did not capture information by telephone number ("TN"), but instead captured the information by order number.	Effective with November 2002 data reported on December 2002, the Company implemented new computer program code designed to report at the telephone number level. June 2002 through October 2002 were restated January 6, 2003. No restatement is planned for March, April, or May 2002 results for this issue.
24	Ordering 93	Data related to the LASR system was not included in results for April and May 2002.	Effective with the September 2002 results reported in October 2002, the Company changed the computer program code and began including orders from the LASR system. June through August 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.
25	Ordering 95	During March, April, and May 2002, the Company excluded projects from this PM, although there is no exclusion allowed in the Business Rules.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include projects in results. No restatements are planned for March through August 2002 results.
26	Ordering MI 9	Projects were incorrectly excluded from the calculation of this measurement during March, April, and May 2002.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to include projects in results. This PM was restated in connection with other issues for June 2002 and July 2002 results on January 6, 2003. This is a diagnostic PM with no benchmark and no restatements are planned for March through May 2002 results.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
27	Ordering MI 9	The PM contained a coding error that counted rejects in the results.	Effective with August 2002 results reported in September 2002, the Company implemented new computer program code to exclude rejects from results. This PM was restated in connection with other issues for June 2002 and July 2002 results on January 6, 2003. This is a diagnostic PM with no benchmark and no restatements are planned for March through May 2002 results.
28	Ordering MI 13	Line loss notifications are not being reported when the winning CLEC originates the order through one ordering system and the Company sends the loss notification to the losing CLEC through a different ordering system.	Effective with September 2002 results reported in October 2002, the Company changed the computer program code to match the line loss notice to the service order completion notice when CLECs use different ordering systems. The months of June through August 2002 were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.
29	Ordering MI 13	The Company was not using the correct end date/time in one ordering system and was inaccurately capturing start times in another system.	Effective with September 2002 results reported in October 2002, new computer program code was designed and implemented to capture the correct start and end date/time on line loss notifications. The months of June through August 2002 were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.
30	Ordering MI 13	During March, April, and May 2002, the Company excluded projects from these PMs, although there is no exclusion allowed in the Business Rules.	<p>Effective with October 2002 results reported in November 2002, the Company implemented new computer program code to include projects in results. The months of June through September 2002 were restated on January 6, 2003 to include this correction. No restatement is planned for March, April, or May 2002 results for this issue</p> <p>The CLECs have agreed in the ongoing six-month review that this measure does not capture the meaningful information needed to assess the timeliness of line loss notifications. A new measurement that will be remedied has been agreed to in the red-lined version of the Business Rules in the most recent six-month review.</p>

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
31	Provisioning 29, 45, 58	Cancels were not being mapped to the correct metro area.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code designed to map the cancels to the correct metro area. This problem does not impact the state aggregate results and no restatements of past results are considered necessary.
32	Provisioning 29, 45, 58	Cancels for no fieldwork orders were not being captured and reported in the PMs.	Effective with August 2002 data reported in September 2002, the Company implemented a computer program code change to report canceled orders that did not require fieldwork in the results of PMs 29, 45, and 58. No restatements are possible because data is not available for March through July 2002.
33	Provisioning 43	March and April 2002 results did not properly capture all projects in this PM.	Effective with June 2002 results reported in July 2002, the Company enhanced its method of capturing transactions related to projects. No restatement is planned for March, April, or May 2002 results for this issue.
34	Provisioning 43, 44, 55, 55.1, 56, 56.1	The transaction indicator used to calculate the measured application date is no longer being populated consistently.	Effective with October 2002 results reported in November 2002, the Company implemented computer code to check a populated field to identify the source of the order for PMs 43, 44, 55, 55.1, 56, and 56.1, except for Lineshare disaggregations. August 2002 through September 2002 results were restated on December 5, 2002. June and July 2002 results are scheduled to be restated in February 2003. No restatement is planned for March, April, or May 2002 results for this issue.
35	Provisioning 43-50, 55-56.1, 58-63, WI 1, WI 9, CLEC WI 11	The Company's matching logic did not capture the appropriate order date on supplemental orders (i.e., the last date an order was supplemented was captured instead of the original order date).	Effective with October 2002 results reported in November 2002, the Company changed the matching logic in a service order log file to capture the original order date instead of the last activity on the order. August and September 2002 results were restated on December 5, 2002. No restatement is planned for March through July 2002 results for this issue.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
36	Provisioning 55.1, 56	During March, April, and May 2002, certain orders involving the FMOD database were not properly identified as loops involving conditioning or were incorrectly identified as FMOD orders.	Effective with October 2002 data reported on December 20, 2002, the Company implemented new computer program code that identified DSL no Lineshare orders involving the Facility Modification Order Database ("FMOD") database as loops involving conditioning. The Company restated June and July 2002 results for PMs 55.1 and 56 on November 5, 2002, and August and September 2002 results on December 5, 2002. No restatement is planned for March through May 2002 results for this issue.
37	Provisioning 55.1, 56, 58	The Company did not count the start time correctly during March, April, and May 2002 resulting in inaccurate PMs. Additionally for PM 58, the Company was excluding certain FMOD orders in error.	Effective with October 2002 data reported on November 20, 2002, the Company implemented new computer program code to count the start time (application date) correctly and to include a small subset of FMOD orders that were not previously measured in PM 58. The August 2002 and September 2002 results were restated on December 5, 2002. No restatement is planned for March through May 2002 results for this issue. June through July are scheduled to be restated in February 2003.
38	Provisioning WI 1 Maintenance WI 2	March and April 2002 results were not reported by geographic metro areas, as required by the Business Rules.	Effective with May 2002 results reported in June 2002, the Company implemented a computer program code change to report the results by geographic metro area. No restatement is planned for March or April 2002 results as the data to restate this issue is not available.
39	Maintenance 59, 65, 65.1, 66, 67, 69	The Company improperly calculated the wholesale numerator during March, April, and May 2002 for the Lineshare submeasure. The Company only included trouble reports for the voice portion of the line and improperly excluded trouble reports related to the data portion of the line.	Effective with November 2002 results reported on December 20, 2002, the Company implemented new computer program code to include all troubles recorded for the high frequency portion of the loop ("HFPL"). July through October 2002 were restated on December 20, 2002. June 2002 results are scheduled to be restated in February 2003. No restatement is planned for March through May 2002 results for this issue.
40	Maintenance MI 14	Trouble tickets related to customer premises equipment, interexchange carrier, and information were excluded from results in error during March, April, and May 2002.	Effective with the September 2002 results reported in October 2002, new computer program code was implemented to include these trouble tickets in results. June through August 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
41	Billing 14	The process by which the Company performed bill audits to verify wholesale universal service ordering code ("USOC") rates did not ensure all items in the audit sample were tested and did not obtain all the relevant information in all cases to accurately determine if the USOC rate was accurate.	Effective with August 2002 results reported in September 2002, the Company has changed its data retention policies to allow for the appropriate bill audit process to occur. As this is a process change, no restatement is possible.
42	Billing 14	Also, for the Resale Monthly Recurring/Non-Recurring wholesale submeasure, the Company's process does not compare the USOC rates per the rate tables to the actual bill sent. Utilizing the Company's current process, a difference would not be identified.	The validation procedure followed by the Company from March 2002 through current includes the requirement to compare USOC rates from the rate table to the bill elements. The Company is reinforcing compliance with the current procedure through additional bill validator training and coaching. To the extent this issue is impacted by process change described in the issue above, no restatement is possible.
43	Billing 15	The Company did not have a process in place to accurately capture and report when a totaling, formatting, content, or syntax error was detected during the resale bill audit process.	Effective with May 2002 results reported in June 2002, the Company revised the resale bill audit process log to capture and report errors detected during the resale bill audit process. As this is a process change, no restatement is possible.
44	Interconnection Trunks 71	During March, April, and May 2002, the Company posted an invalid retail comparison for this PM.	Effective with August 2002 data reported in September 2002, the Company corrected this error by removing the invalid retail parity comparison from the CLEC Online Web site. It was replaced with a benchmark of 2% for the month of March 2002 forward, per the Business Rules. The CLEC result was not impacted by this issue and the replacement did not change the attainment of the 2% benchmark in any month reported.
45	Poles, Conduit and Right of Way 105, 106, MI 5	Testing of supporting documentation for the transactions that comprise these PMs revealed that start and stop times were not accurately calculated and that supporting documentation for transactions was not appropriately maintained.	The Company implemented additional controls on October 14, 2002 to ensure that start and stop times are stamped on all requests and that transaction logs are properly maintained. These controls include stamping all requests that come in with date and time received and keeping a separate backup log for supporting documentation. As this is a process change, no restatements are possible.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
46	Directory Assistance Database 110, 111, 112	The Company was unable to locate certain supporting documentation related to fax transactions. Additionally, critical dates or times on the source documents did not agree to the data file used to calculate the results. In all cases the times were misstated by less than 2 hours. This had no effect on the reported results for PM 110.	<p>In October 2002, the Company implemented procedures designed to ensure on a prospective basis that supporting documentation related to fax transactions is maintained and that critical dates or times on the source documents are properly reflected in the data.</p> <p>In November 2002, the Company implemented procedures designed to ensure that critical dates on the source document agreed with the data file used to calculate results.</p> <p>Implementation of this change would not be expected to change reported March through November 2002 results for PMs 110 and 111 and no restatements are planned. The corrective action addressed supporting documentation. The Company found no cases in which transactions were misstated by more than 2 hours, and reported performance is within the defined benchmarks.</p>
47	Coordinated Conversions 114, 115	The Company did not have a process in place to capture actual start times of coordinated cutovers during March, April, and May 2002 for the frame due time ("FDT") level of disaggregation. Instead, the process utilized by the Company identified the start time as the scheduled due time, which did not allow for premature disconnects or delayed coordinated cutovers to be identified and reported.	<p>For PM 114, effective with September 2002 results reported in October 2002, the Company implemented a network process change to capture the actual start times of coordinated cutovers. Prior to this change, the actual start time could not be derived from the source system. The Company implemented a computer program code change coincident with the network change for September 2002 results reported in October 2002. In the interim, a revised method of reporting was implemented in the reporting system for August 2002 results reported in September 2002. June 2002 and July 2002 results were restated on October 7, 2002. No restatement is planned for March, April, or May 2002 results for this issue.</p> <p>For PM 115, effective with September 2002 results reported in October 2002, the Company implemented a network process change to capture the actual start times of coordinated cutovers. No restatements for March through August 2002 results are planned.</p>

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
48	Coordinated Conversions 114, 115, 115.2	Prior to May 2002, the Company incorrectly aggregated multiple orders that occurred on the same date with the same CLEC in the denominator.	Effective with May 2002 results reported in June 2002, the computer program code was changed to no longer aggregate multiple orders that occurred on the same date with the same CLEC. No restatement is planned for March or April 2002 results for this issue.
49	NXX 117, 118	The Company considers an NXX code request to be on time as long as it completes testing by the end of the week, containing the due date instead of by the actual due date as required by the Business Rules.	Effective with October 2002 results reported in November 2002, the Company implemented procedures to consider an NXX code request to be on time as long as it completes testing by the actual due date as required by the Business Rules. The Company does not plan to restate PMs 117 or 118 for this issue for March through September 2002 results. PM 117 results for October 2002 remained at 100% as were the March through September 2002 reported results. Since no transactions were missed, there were no delay days to measure in PM 118.
50	FMOD C WI 6, C WI 7, and C WI 8	Due to errors in data collection by the reporting systems, the Company improperly excluded certain transactions from reported results.	Effective with September 2002 results reported in October 2002, the Company implemented new computer program code to include transactions that were improperly excluded for PMs C WI 6, C WI 7, and C WI 8. The Company does not plan to restate this issue for March through August 2002 results.
51	OSS Interface MI 11	Manual errors were noted in the recording of start and end times associated with this PM.	Effective with November 2002 results which were reported on December 20, 2002, the Company changed the process to record start and end times used in the results of PM MI 11. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
III. Exceptions Corrected But Not Yet Reported			
1	Maintenance 54, 54.1, 65, and 65.1	For the denominators of PMs 54, 54.1, 65 and 65.1, the unknown product issue has not been corrected.	Effective with December 2002 results scheduled to be reported in January 2003, the computer product table has been updated to include these products. The source systems feed is in summary format using the product table to create the denominators. The prior months' summaries do not contain the unknown products and thus the results cannot be restated.
2	Billing 14	For the retail comparison for both resale submeasures, the Company did not have a process in place to accurately capture and report when invalid USOC rates were identified in the bill audit process.	The Company currently verifies that an error found by a bill validator is actually an error in the bill or is due to an out-of-date electronic validation handbook being used. The corrective action required is to enhance current methods and procedures to ensure that errors confirmed as bill element errors are reported as such in the PM 14 results. The Company implemented methods and procedures update effective with December 2002 results to be reported in January 2003. No restatements are possible, as this is a process change. Identification of additional errors for the retail results would only cause improvement in the parity comparison because retail results have been reported at 100% for each month, and identification of errors in retail results alone will improve parity comparison performance.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
IV. Exceptions in Which No Corrective Action Is Planned by the Company³			
1	Preordering 1.2	The denominator for this PM is not calculated in accordance with the Business Rules. The Business Rules state that the denominator should include the total actual loop make-up information responses. The actual denominator includes all DSL orders regardless of whether loop make-up information was obtained. Additionally for the numerator, the method of data collection for this PM does not guarantee that the order was identical to engineering work confirmations as required by the Business Rules. The numerator is calculated by subtracting the number of DSL orders with trouble reported within 10 days of DSL installation from total DSL orders.	This issue was identified in the current, ongoing six-month review collaborative. As a result, the Company plans a joint filing in January 2003, which will introduce a new PM (1.3) and suspend PM 1.2. Results for PM 1.3 and the Company's performance on providing accurate loop information will be assessed in the future and determination will be made whether or not to delete PM 1.2. As a result, no restatements of prior results for PM 1.2 are planned.

³ The following PMs were originally reported in error during March, April, and/or May 2002. These results have not been corrected for the error noted, and the Company has not restated March, April, or May 2002 data. E&Y has tested the accuracy of the Company's assertion regarding any quantification of the error as described in the Supplemental Report dated January 17, 2003.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
2	Preordering MI 10, MI 16	TCNet does not have the capability to capture the rejected and timed-out status; therefore, these transactions cannot be reported in the numerator for these PMs.	<p>This issue is limited to the service feature availability transaction for TCNet, an optional preordering interface. To provide a response for this transaction, TCNet accesses an available feature table that resides within the TCNet computer program code on the TCNet server itself. Since the transaction does not interface or call any other applications, the transaction cannot time out or reject. Prior reported results for TCNet service feature availability were not impacted by this issue because TCNet properly reports these PMs without a reject or time out function.</p> <p>MI 10 and MI 16 are diagnostic measures with no benchmarks.</p>
3	Ordering 5, 6	Certain ULT orders contained inaccurate start and/or stop times.	The inaccurate start and/or stop times observed by E&Y represented one end office integration trunk transaction out of 40 tested by E&Y. The particular instance in question was a FOC sent as a result of a verbal request from a CLEC that was follow by a supplemental order from the CLEC. The Company identified only four additional occurrences of this anomaly. No process or system changes are planned as the Company considers this to be an isolated instance. Additionally, the Company implemented a computer program change to appropriately capture stop times.
4	Ordering 6	A clerical error resulted in one submeasure for PM 6 not being properly reported in March 2002 in Illinois.	The particular instance in question was a manual input error by a service representative. No process or system changes are planned as correction of the error would only improve the CLEC result.
5	Ordering MI 12	The Company excluded retail transactions from reported results where the field cycle date was null. This issue was isolated to the month of May 2002.	This issue was isolated to one day in the month of May 2002. A total of 51,317 records were omitted from the total records count of 3,514,097 for May 2002, representing 1.5% of the total records. (Note: Data is for the five state region.) As such, the Company does not believe restatement of May 2002 results is necessary.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
6	Grade of Service 25	Due to a manual calculation error, April 2002 data was improperly reported.	This manual input error was due to reporting retail results for the month of January 2002 instead of April 2002 retail results. The Company has implemented controls to verify the accuracy of reported information to the input data and is in the process of mechanizing the PM. The Company has determined that a restatement of April 2002 results is not necessary as the April 2002 wholesale results for calls answered within 20 seconds exceed both the originally reported and corrected retail result.
7	Poles, Conduit, and Rights of Way 105, 106, MI 5	Certain transactions were recorded in the wrong month.	The recording of these transactions was consistent with the Company's practice for this PM, in which work completed at the end of one month is recorded in the following month's results. To avoid omitting these transactions, results are compiled based on the month in which they are recorded rather than in the month the work was done.

<u>No.</u>	<u>PMs Affected</u>	<u>E&Y Exception Description</u>	<u>SBC Assertion - Response and Corrective Action Status for the Described Exception</u>
V. Exceptions in the Process of Being Corrected⁴			
1	Ordering 5, 5.2, 6, 7, 7.1, 8, 9, 10, 10.1, 10.2, 10.3, 10.4, 11, 13, 13.1	Certain valid LASR transactions were incorrectly excluded from PM results due to invalid ACNA/Company code values.	This issue was isolated to LSOG 5 transactions as a result of the implementation of new systems (LSOG 5/LASR) in April 2002. As of the date of this report, the Company has not implemented the planned action to correct this issue. However, based on an analysis of the data for September and October 2002, it was noted that less than 1% of all reported LASR transactions (including LSOG 5) were improperly excluded from the PMs noted in this issue as a result of this error in September and October 2002. The Company does not plan to restate previous months' results for this issue. Implementation is targeted for January 2003 results reported in February 2003. Based on this analysis, and given the fact that LSOG 5 was recently released, the Company does not expect a change to benchmark attainment/failure for September, October, and November 2002 results.
2	Ordering 7.1, 91	Results for March, April, and May 2002 did not exclude CLEC-caused misses from the calculation as required by the Business Rules.	The Company has not implemented new computer program changes to address this issue as of the date of this report. The impact of not excluding CLEC-caused misses causes an understatement of the Company's actual performance. The Company does not plan to restate previous months' results for this issue. Implementation of this exclusion is targeted for February 2003 results reported in March 2003.

⁴ The following PMs were originally reported in error during March, April, and/or May 2002. These results have not been corrected for the error noted, and the Company has not restated March, April, or May 2002 data. E&Y has tested the accuracy of the Company's assertion regarding any quantification of the error as described in the Supplemental Report dated January 17, 2003.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
3	Ordering 91	Orders involving projects were improperly excluded from results.	The Company has not implemented new computer program changes to include projects from LSOG 4 as of the date of this report. Implementation of computer program code to include LSOG 4 projects is in development. Projects will be included concurrent with the implementation of the six-month review changes. The Company does not plan to restate previous months' results for this issue.
4	Ordering MI 12	The Company excluded wholesale transactions when a field identifying the CLEC was blank.	Effective with February 2003 results scheduled to be reported in March 2003, the Company will begin including records where the field identifying the CLEC was blank in results. If required, June 2002 through December 2002 results will be scheduled for restatement in the first quarter of 2003. No restatements are planned for March, April, or May 2002.
5	Provisioning 27, 28	The Company did not properly identify customer-requested due dates ("CDDD") during March, April, and May 2002. Instead of capturing the actual customer-requested due date, the Company-offered due date was utilized in the calculation only when the requested due date was greater than or equal to the standard offered interval.	Effective with January 2003 results scheduled to be reported in February 2003, the Company plans to implement a computer program code change to calculate the measured interval appropriately in this calculation, application date to CDDD. The Company expects that this implementation of corrective action for this issue will have a minimal impact on prior reported results because the actual due date field is equal to the CDDD field in most cases. If required, June 2002 through December 2002 results will be scheduled for restatement in the first quarter of 2003. No restatements are planned for March, April, or May 2002.
6	Provisioning 28-33	The Company incorrectly reported certain internal orders impacting the CLEC portion of a partially "won back" account as wholesale orders during March, April, and May 2002.	Effective with February 2003 results to be reported in March 2003, the Company will implement new computer program code to exclude internal orders correcting the CLEC account on a partial winback. The Company does not plan to restate prior-reported results due to this issue. Partial winbacks comprise approximately 3% to 5% of total winback orders. Removing this small volume of orders from the CLEC results is not expected to impact wholesale results.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
7	Provisioning 43, 44, 55, 55.1, 56, 56.1	The Company utilized the wrong field to determine the exclusion for customer-requested due dates in excess of the stated time period in the Business Rules.	Effective with January 2003 data scheduled to be reported in February 2003, the Company plans to implement a computer program code change to calculate the measured interval appropriately in this calculation, application date to CDDD for PMs 43, 44, and 55, and for the Lineshare disaggregation only for PMs 55.1, 56, and 56.1. If required, June 2002 through December 2002 results will be scheduled for restatement in the first quarter of 2003. No restatements are planned for March, April, or May 2002.
8	Provisioning 55.1, 55.3, 56, 58, 59, 60, 61, 62, 63	DSL transactions were not identified by geographic region as required by the Business Rules and, therefore, are not reported in the correct geographic region.	The Company plans to implement new computer program code to report these PMs by geographic region for February 2003 results reported in March 2003. This issue regarding geographic disaggregation had no impact on prior reported statewide aggregate results.
9	Provisioning 96, 97	For LNP with loop orders, the related order field is not always populated, resulting in certain LNP with loop orders being reported as loop orders.	The reason certain LNP with loop orders are being reported as LNP only is the related order field on the LNP order is not always populated with the loop order number. The Company program code for these PMs looks for the LNP and then its related loop. Effective in February 2003, the Company plans to implement changes to computer program code logic to identify the loop with the related LNP order number and then cross check both ways. No restatements are planned for this specific issue. For these PMs, LNP with loop orders were reported, although possibly not in the disaggregation the CLEC expected. The Company does not consider a restatement necessary since the LNP orders were reported and compared to the same benchmark.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
10	Provisioning WI 1	Customer-caused no access reports were incorrectly included in the numerator of the calculation during March, April, and May 2002 resulting in a published result worse than actual results.	The Company has not implemented changes to address this issue as of the date of this report. Implementation of computer program changes to exclude certain customer-caused no access reports is planned to be included in February 2003 results reported in March 2003. Implementation of this correction will improve the Company's actual reported results because excluding customer-caused no access will decrease the numerator. No restatements are planned.
11	Maintenance C WI 5	The Company did not report data for specials and UNEs during March, April, and May 2002.	Implementation of computer program code to include resold Specials and UNEs in PM C WI 5 is scheduled effective with February 2003 results reported in March 2003. Implementation of this correction, which will add two additional products, is not expected to change reported results for September through November 2002 results. No restatements are planned. The Company's procedures require technicians to replace a broken or missing Network Interface Device on every provisioning or maintenance visit, for both retail and wholesale, for all products. The results indicate no failure of the PM for resale (0% vs. a 3% benchmark). Therefore, the Company expects the results to be no different when the additional products are added to this measure.
12	Maintenance MI 14	The Company was not able to identify electronic UNE-P transactions and as a result, did not report the UNE-P level of disaggregation for electronically processed completion notifications.	As of the date of this report, the Company has not implemented the planned action to correct this issue. However, the volume of transactions reported in the resale electronic disaggregation includes the results for both resale and UNE-P tickets. The reported results for the resale electronic disaggregation, which includes UNE-P, exceed the 95% benchmark for each of the last six months. Implementation of the corrective action is planned for February 2003 results to be reported in March 2003.

No.	PMs Affected	E&Y Exception Description	SBC Assertion - Response and Corrective Action Status for the Described Exception
13	9-1-1 104.1	Evaluation Period results contained data errors received from the external vendor (Intrado).	This issue is related solely to the reporting of performance measure results and not the actual operational process of unlocking 9-1-1 records. This issue relates to the Company being unable to match all 9-1-1 database unlock records (which reflect that an unlock has occurred) to completed service order records in the Company's systems in order to calculate the unlock interval. The Company implemented computer program code enhancements to improve the match rate between unlock records and service order completion data, but additional program code enhancements are determined necessary. The Company is in the process of developing these enhancements with implementation currently planned for January 2003 results reported in February 2003. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue.
14	9-1-1 104.1	The Company is not excluding CLEC-caused delayed unlocks because it is not currently technically feasible given the current processes; thus it has not been restated.	Computer program code enhancements are currently scheduled for February 2003 results reported in March 2003. This is a diagnostic PM with no benchmark; therefore, the Company does not plan to restate results for this issue. Corrective action would only improve September, October, and November results because CLEC-caused delayed unlocks would reflect a longer duration than unlocks that are not delayed by the Company. Exclusion of these unlock records would improve the reported results, if restated. It is important to note that the issue is related to the production of performance measure results and not the operational process of unlocking 9-1-1 records.
15	Poles, Conduit, and Right of Way 106	The Company excluded weekends and holidays from the calculation, although not specifically stated in the Business Rules.	The Company plans to implement revised computer program code for January 2003 results reported in February 2003 to include weekends and holidays in the PM calculation. No restatements are planned for March, April, or May 2002.